

**S.R. BATLIBOI & Co. LLP**  
Chartered Accountants

22, Camac Street  
3rd Floor, Block 'C'  
Kolkata-700 016, India  
Tel : +91 33 6615 3400  
Fax : +91 33 2281 7750

**Limited Review Report****Review Report to  
The Board of Directors  
Microsec Financial Services Limited**

1. We have reviewed the accompanying statement of unaudited financial results of Microsec Financial Services Limited ('the Company') for the quarter ended 30<sup>th</sup> June, 2014 (the "Statement"), except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been reviewed by us. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statements is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Without qualifying our conclusion, we draw attention to note no.3 of the unaudited financial results regarding the Company's credits/investments during the period having exceeded the limits prescribed by the credit concentration norms as provided in paragraph 18 of the Non-Banking Financial (Non Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 (as amended) and filing of revised application for registration as Non Deposit Accepting Core Investment Company (ND-CIC) by the company more fully described therein.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited financial results prepared in accordance with recognition and measurement principles laid down in Accounting Standard 25 Interim Financial Reporting [specified under the Companies Act, 1956 (which are deemed to be applicable as per section 133 of the Companies



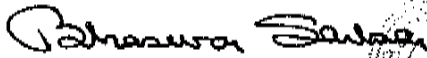
**S.R. BATLIBOI & Co. LLP**

Chartered Accountants

Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014)] and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

**For S.R. BATLIBOI & CO. LLP****ICAI Firm registration number: 301003E**

Chartered Accountants



per Bhaswar Sarkar

Partner

Membership No.:55596



Place: Kolkata

Date : 13<sup>th</sup> August, 2014



# Microsec Financial Services Limited

Corporate Identity No. (CIN) - L65993WB1989PLC047002

Regd. Office : 1st Floor, Shivam Chambers, 53, Syed Amir Ali Avenue, Kolkata - 700 019

Phone 033-3051 2100, Fax - 033-3051 2020, Website - www.microsec.in

**Part - I****STATEMENT OF STANDALONE UNAUDITED RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2014**

(Rs. In Lacs except for EPS)

Particulars	Quarter Ended				Year Ended
	30-Jun-14	31-Mar-14	30-Jun-13	31-Mar-14	
	(Unaudited)	(Audited)	(Unaudited)	(Audited)	
<b>1 INCOME FROM OPERATIONS</b>					
(a) Income from Operations	-	4.20	18.87	32.35	
(b) Other Operating Income	50.00	50.00	50.00	200.00	
<b>Total Income from Operations (Net)</b>	<b>50.00</b>	<b>54.20</b>	<b>68.87</b>	<b>232.35</b>	
<b>2 EXPENSES</b>					
(a) Employee benefit expense	31.02	32.69	33.39	128.93	
(b) Depreciation and amortization expense	9.87	9.02	8.68	35.65	
(c) Other Expenditure	15.11	17.92	26.18	86.65	
<b>Total Expenses</b>	<b>56.00</b>	<b>59.63</b>	<b>68.25</b>	<b>251.23</b>	
<b>3 Profit / (Loss) from Operations before Other Income, finance costs (1 - 2)</b>	<b>(6.00)</b>	<b>(5.43)</b>	<b>0.62</b>	<b>(18.88)</b>	
4 Other Income	21.37	18.72	1.71	43.47	
<b>5 Profit before finance costs (3 + 4)</b>	<b>15.37</b>	<b>13.29</b>	<b>2.33</b>	<b>24.59</b>	
6 Finance Costs	-	-	0.14	0.14	
<b>7 Profit before tax (5 - 6)</b>	<b>15.37</b>	<b>13.29</b>	<b>2.19</b>	<b>24.45</b>	
<b>8 Tax Expense</b>					
(a) Current Tax	0.83	2.52	0.28	2.64	
(b) Deferred Tax Charge	-	-	4.11	30.83	
(c) Excess provision for taxation no longer required written back	-	(68.05)	-	(67.96)	
<b>9 Net Profit / (Loss) after tax (7 - 8)</b>	<b>14.54</b>	<b>78.82</b>	<b>(2.20)</b>	<b>58.94</b>	
10 Paid up Equity Share Capital (Face Value per share Rs.10 )	3,181.05	3,181.05	3,181.05	3,181.05	
11 Reserves excluding Revaluation Reserve as per balance sheet of previous accounting year				19,331.67	
12 Earnings per share (Basic and Diluted)	0.05 *	0.25 *	(0.01)*	0.19	

\* Not annualised

**Part - II****SELECT INFORMATION FOR THE QUARTER ENDED 30TH JUNE, 2014**

Particulars	Quarter Ended				Year Ended
	30-Jun-14	31-Mar-14	30-Jun-13	31-Mar-14	
	(Unaudited)	(Audited)	(Unaudited)	(Audited)	
<b>A PARTICULARS OF SHAREHOLDING</b>					
<b>1 Public Shareholding</b>					
- Number of Shares	9,339,968	9,823,581	10,998,766	9,823,581	
Percentage of Shareholding	29.36%	30.88%	34.58%	30.88%	
<b>2 Promoters and Promoter Group Shareholding</b>					
a) Pledged/Encumbered					
Number of Shares	Nil	Nil	Nil	Nil	
Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	Nil	Nil	Nil	Nil	
Percentage of Shares (as a % of the total share capital of the company)	Nil	Nil	Nil	Nil	
b) Non-encumbered					
Number of Shares	22,470,532	21,986,919	20,811,734	21,986,919	
Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%	
Percentage of Shares (as a % of the total share capital of the company)	70.64%	69.12%	65.42%	69.12%	

Particulars	Quarter ended 30-June-14
<b>B INVESTOR COMPLAINTS</b>	
Pending at the beginning of the quarter	Nil
Received during the quarter	Nil
Disposed of during the quarter	Nil
Remaining unresolved at the end of the quarter	Nil



**Notes:**

1. The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 13<sup>th</sup> August, 2014.
2. The Statutory Auditors have carried out the "Limited Review" of the results of the Stand -alone Company for the quarter ended 30<sup>th</sup> June, 2014.
3. The Statutory Auditors has in their audit report for the year ended 31<sup>st</sup> March, 2014 commented regarding concentration of credit / investment norms as provided in paragraph 18 of Non-Banking Financial (Non Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 (as amended), having exceeded the limits provided therein, in order to become a Non Deposit Accepting Core Investment Company (ND-CIC). The shareholders of the Company had approved conversion of the Company to a Core Investment Company (CIC) on 19th March 2013. Accordingly, the Company had filed an application with the Reserve Bank of India (RBI) on 7th June 2013 for exemption from the credit concentration norms to enable the Company to convert into a ND-CIC. The RBI, vide its letter dated 20th August 2013 had directed the Company to comply with the CIC norms and submit an application for registration as ND-CIC by 31st December 2013. The Company had complied with the requirements applicable to ND-CIC and has filed such application for registration. The RBI vide letter dated 22<sup>nd</sup> July, 2014 had returned the application submitted by the Company for Registration as ND-CIC advising the Company that it may submit a fresh application along with financial documents as on 31<sup>st</sup> March, 2014. Accordingly, the Company has submitted a fresh application along with documents sought by the RBI.

A Company having an asset size of more than Rs. 100 crores and not accessing public funds is exempt from the registration as CIC with the RBI under section 45IA of the RBI Act, 1934 in terms of the notification No. DNBS.PD.221/CGM(US) 2011 dated 5th January 2011. In view of the above, the management believes that the Company has complied with the extant requirements of operating as a CIC.

4. Effective from 1<sup>st</sup> April, 2014, the Company has charged depreciation based on the revised remaining useful life of the assets as per the requirement of Schedule II of the Companies Act, 2013. Due to above, depreciation charge for the quarter ended 30<sup>th</sup> June, 2014, is higher by Rs. 1,77,100. Further, based on transitional provision provided in Note 7(b) of Schedule II, an amount of Rs. 21,89,844 has been adjusted with retained earnings.
5. The Company has only one reportable business segment, i.e., "Financial Services" and have only one reportable geographic segment in India.
6. Figures for the previous periods have been regrouped / rearranged where necessary.

Place: Kolkata

Date: 13<sup>th</sup> August, 2014

For Microsec Financial Services Limited

B.L.Mittal  
Chairman cum Managing Director





# Microsec Financial Services Limited

Corporate Identity No. (CIN) - L65993WB1989PLCO17002

Regd. Office : 1st Floor, Shivam Chambers, 53, Syed Amir Ali Avenue, Kolkata - 700 019

Phone - 033-3051 2100, Fax 033-3051 2020, Website - www.microsec.in

## Part - I

## STATEMENT OF CONSOLIDATED UNAUDITED RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2014

(Rs. in Lacs except for EPS)

Particulars	Quarter Ended			Year Ended
	30-Jun-14	31-Mar-14	30-Jun-13	31-Mar-14
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
<b>1 INCOME FROM OPERATIONS</b>				
(a) Income from Operations	897.37	687.95	621.56	2,674.06
(b) Other Operating Income	-	-	-	-
<b>Total Income from Operations (Net)</b>	<b>897.37</b>	<b>687.95</b>	<b>621.56</b>	<b>2,674.06</b>
<b>2 EXPENSES</b>				
(a) Purchase of stock in trade	225.94	102.79	-	202.38
(b) Changes in inventories of stock in trade	(75.63)	(48.31)	-	(141.83)
(c) Employee benefit expense	467.75	478.34	401.07	1,716.33
(d) Depreciation and Amortization expense	136.98	50.53	42.37	187.66
(e) Other Expenditure	446.58	485.86	402.73	1,700.85
<b>Total Expenses</b>	<b>1,201.62</b>	<b>1,069.21</b>	<b>846.17</b>	<b>3,665.39</b>
<b>3 Profit / (Loss) from Operations before other income, finance costs (1 - 2)</b>	<b>(304.25)</b>	<b>(381.26)</b>	<b>(224.61)</b>	<b>(991.33)</b>
4 Other Income	96.11	84.18	100.67	386.55
<b>5 Profit / (Loss) before finance costs (3 + 4)</b>	<b>(208.14)</b>	<b>(297.08)</b>	<b>(123.94)</b>	<b>(604.78)</b>
6 Finance Costs	28.24	17.44	13.48	65.15
<b>7 Profit / (Loss) before tax (5 - 6)</b>	<b>(236.38)</b>	<b>(314.52)</b>	<b>(137.42)</b>	<b>(669.93)</b>
<b>8 Tax Expense</b>				
(a) Current Tax	4.72	(12.59)	7.12	8.93
(b) Excess provision for taxation no longer required written back	-	(68.48)	-	(104.47)
(c) Deferred Tax	0.12	(10.64)	16.17	59.66
<b>9 Net Profit / (Loss) after tax (7 - 8)</b>	<b>(241.22)</b>	<b>(222.81)</b>	<b>(160.71)</b>	<b>(634.05)</b>
10 Minority Interest	2.94	2.25	3.46	13.40
<b>11 Net Profit / (Loss) after taxes and minority interest</b>	<b>(244.16)</b>	<b>(225.06)</b>	<b>(164.17)</b>	<b>(647.45)</b>
12 Paid up Equity Share Capital (Face Value per share Rs.10)	3,181.05	3,181.05	3,181.05	3,181.05
13 Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year				23,817.60
14 Earnings per share (Basic and Diluted)	(0.77)*	(0.71)*	(0.52)*	(2.04)

\* Not annualised

## Part - II

## SELECT INFORMATION FOR THE QUARTER ENDED 30TH JUNE, 2014

Particulars	Quarter Ended			Year Ended
	30-Jun-14	31-Mar-14	30-Jun-13	31-Mar-14
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
<b>A PARTICULARS OF SHAREHOLDING</b>				
<b>1 Public Shareholding</b>				
- Number of Shares	93,39,968	98,23,581	1,09,98,766	98,23,581
- Percentage of Shareholding	29.36%	30.88%	34.58%	30.88%
<b>2 Promoters and Promoter Group Shareholding</b>				
a) Pledged/Encumbered				
Number of Shares	Nil	Nil	Nil	Nil
Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	Nil	Nil	Nil	Nil
Percentage of Shares (as a % of the total share capital of the Company)	Nil	Nil	Nil	Nil
b) Non-encumbered				
Number of Shares	2,24,70,532	2,19,86,919	2,08,11,734	2,19,86,919
Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%
Percentage of Shares (as a % of the total share capital of the Company)	70.64%	69.12%	65.42%	69.12%



	Particulars	Quarter ended 30-June-14
<b>B</b>	<b>INVESTOR COMPLAINTS</b>	
	Pending at the beginning of the quarter	Nil
	Received during the quarter	Nil
	Disposed of during the quarter	Nil
	Remaining unresolved at the end of the quarter	Nil

Standalone financial results are summarised below and also available on the Company's website: [www.microsec.in](http://www.microsec.in)

Particulars	Quarter Ended			Year Ended
	30-Jun-14	31-Mar-14	30-Jun-13	31-Mar-14
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
Gross Revenue	71.37	77.92	70.58	275.82
Profit before Tax	15.37	13.29	2.19	24.45
Profit / (Loss) after Tax	14.54	78.82	(2.20)	58.94

**UNAUDITED CONSOLIDATED SEGMENT REVENUE, RESULTS AND CAPITAL EMPLOYED UNDER CLAUSE 41 OF THE LISTING AGREEMENT**

Particulars		Quarter Ended			Year Ended
		30-Jun-14	31-Mar-14	30-Jun-13	31-Mar-14
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
<b>1</b>	<b>Segment Revenue</b>				
(a)	Financial Services	729.23	621.76	621.56	2,596.69
(b)	Digital Media of Consumer Engagement (www.foreseegame.com)	5.06	7.54	-	10.74
(c)	Digital Pharmacy & Healthcare Store (www.sastasundar.com)	163.08	58.65	-	66.63
	<b>Total</b>	<b>897.37</b>	<b>687.95</b>	<b>621.56</b>	<b>2,674.06</b>
	Less : Inter Segment Revenue	-	-	-	-
	<b>Income from Operations</b>	<b>897.37</b>	<b>687.95</b>	<b>621.56</b>	<b>2,674.06</b>
<b>2</b>	<b>Segment Results</b>				
	<b>Profit / (Loss) before Finance Costs and Tax</b>				
(a)	Financial Services	275.62	107.66	89.82	577.89
(b)	Digital Media of Consumer Engagement (www.foreseegame.com)	(253.62)	(219.64)	(214.47)	(880.66)
(c)	Digital Pharmacy & Healthcare Store (www.sastasundar.com)	(252.11)	(191.34)	(1.97)	(332.55)
	<b>Total</b>	<b>(230.11)</b>	<b>(303.32)</b>	<b>(126.62)</b>	<b>(635.32)</b>
	Less:				
	Finance Costs (Refer note 1)	-	-	-	-
	Other unallocable expenditure net of unallocable income	6.27	11.20	10.80	34.61
	<b>Profit / (Loss) before tax</b>	<b>(236.38)</b>	<b>(314.52)</b>	<b>(137.42)</b>	<b>(669.93)</b>
<b>3</b>	<b>Capital Employed</b>				
	(Segment Assets - Segment Liabilities)				
(a)	Financial Services	12,652.09	13,743.22	15,767.86	13,743.22
(b)	Digital Media of Consumer Engagement (www.foreseegame.com)	3,336.70	3,023.80	2,397.87	3,023.80
(c)	Digital Pharmacy & Healthcare Store (www.sastasundar.com)	8,025.11	7,490.39	6,664.46	7,490.39
(d)	Unallocated	2,768.32	2,766.03	2,666.59	2,766.03
	<b>Total</b>	<b>26,782.22</b>	<b>27,023.44</b>	<b>27,496.78</b>	<b>27,023.44</b>

**Notes :**

1. Finance Costs pertaining to the segments having operations which are primarily of financial nature has been considered as part of segment results and not disclosed separately.

**2 (i) Business Segments :**

The Company has identified the following as business segments :

(a) Financial Services - consists mainly of financing of loans and investment in shares and securities, financial consultancy, professional fees, debt syndication, Brokerage (Equity, Commodities and Currency including Depository Services), wealth management, insurance broking, financial planning, distribution and related services.

(b) Digital Media of Consumer Engagement (www.foreseegame.com) - includes activities under www.foreseegame.com.

(c) Digital Pharmacy & Healthcare Store (www.sastasundar.com) - includes activities for food processing, preservation and marketing of healthcare products through e-commerce portal www.sastasundar.com.

(ii) Geographical Segments : The Company operates in only one geographical segment i.e. "within India" and no separate information for geographical segment has been given.





## Notes:

1. The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 13<sup>th</sup> August, 2014.
2. The Statutory Auditors have carried out the "Limited Review" of the results of the Stand -alone Company for the quarter ended 30<sup>th</sup> June, 2014.
3. The Statutory Auditors has in their audit report for the year ended 31<sup>st</sup> March, 2014 commented regarding concentration of credit / investment norms as provided in paragraph 18 of Non-Banking Financial (Non Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 (as amended), having exceeded the limits provided therein, in order to become a Non Deposit Accepting Core Investment Company (ND-CIC). The shareholders of the Company had approved conversion of the Company to a Core Investment Company (CIC) on 19th March 2013. Accordingly, the Company had filed an application with the Reserve Bank of India (RBI) on 7th June 2013 for exemption from the credit concentration norms to enable the Company to convert into a ND-CIC. The RBI, vide its letter dated 20th August 2013 had directed the Company to comply with the CIC norms and submit an application for registration as ND-CIC by 31st December 2013. The Company had complied with the requirements applicable to ND-CIC and has filed such application for registration. The RBI vide letter dated 22<sup>nd</sup> July, 2014 had returned the application submitted by the Company for Registration as ND-CIC advising the Company that it may submit a fresh application along with financial documents as on 31<sup>st</sup> March, 2014. Accordingly, the Company has submitted a fresh application along with documents sought by the RBI.

A Company having an asset size of more than Rs. 100 crores and not accessing public funds is exempt from the registration as CIC with the RBI under section 45IA of the RBI Act, 1934 in terms of the notification No. DNBS.PD.221/CGM(US) 2011 dated 5th January 2011. In view of the above, the management believes that the Company has complied with the extant requirements of operating as a CIC.

4. Effective from 1<sup>st</sup> April, 2014, the Company has charged depreciation based on the revised remaining useful life of the assets as per the requirement of Schedule II of the Companies Act, 2013. Due to above, depreciation charge for the quarter ended 30<sup>th</sup> June, 2014, is higher by Rs. 36,58,152. Further, based on transitional provision provided in Note 7(b) of Schedule II, an amount of Rs. 51,69,913 has been adjusted with retained earnings.
5. Figures for the previous periods have been regrouped / rearranged where necessary.

Place: Kolkata

Date: 13<sup>th</sup> August, 2014

For Microsec Financial Services Limited

B.L. Mittal  
Chairman cum Managing Director

